



**Piedmont
Natural Gas
Company**

Post Office Box 38068
Charlotte, North Carolina 28233

REGULATORY AUTH.

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OFFICE OF THE
EXECUTIVE SECRETARY

June 26, 2001

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Nashville Gas Company, Docket No. 99-00207

Dear Mr. Waddell:

In accordance with the reporting provisions of Service Schedule No. 14, Performance Incentive Plan, as approved in the above captioned docket, Nashville Gas Company ("Nashville") submits the accompanying quarterly report of shared gas cost savings for the period ended April 30, 2001.

The accumulated total gains and savings of \$3,160,593 include the payment by Nashville's gas asset manager, Semptra Energy Trading Corp., made on December 26, 2000. Under the Plan's sharing formulas, \$1,596,128 of these gains and savings will be allocated to the Company's ratepayers. The remaining \$1,564,465 of the gains and savings are to be credited to the Company's Incentive Plan Account under the terms of the Plan.

Detailed calculations supporting the amounts shown on the summary are provided in this filing subject to the execution of non-disclosure agreements.

I am enclosing one additional copy of the summary that I would appreciate your stamping "filed" and returning to me in the enclosed envelope.

Sincerely,

Jerry W. Amos
by BKM

Jerry W. Amos

Enclosures

c: Cynthia Kinser, Deputy Attorney General
Dan McCormac, Tennessee Regulatory Authority